Mieles, Janette

From: Taylor, Karen

Sent: Tuesday, June 18, 2013 2:58 PM **To:** Mcchesney, Dennis; Jamison, Rebecca

Cc: Sawyer, William

Subject: RE: PR UST regulations - penalty matrix and red tag

The highlighted text is from EQB response to a comment on Rule 888 K. Fuel Product Delivery Prohibition. (Page 76 of 93 of file #3 - Part IX – Appendix)

The current PRUST Rule 1008 is now the new Rule 879. The language is unchanged.

As for the Law 416 sections cited by EQB program

- A(1) Appears to be a cost recovery("renumeration") section, not a ban section.
- A(7) refers to orders for "imminent danger"
- A(8) looks like the ban authority "cease and desist"
- A(9) inspection authority

See below

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Rule 879 Closure of a Facility or an Underground Storage Tank System

A. The Board may order the closure of a facility or UST system found in non-compliance with this Regulation, or if a violation persists after the time limit granted by the Board under a notice of violation, an order or any other enforcement action.

B. The closure order shall remain in effect until the facility with the UST system is in compliance with this Regulation and the permits issued. The person against which said order is issued may request an administrative hearing where reasons shall be stated to explain why the order should be modified or revoked and not put in effect. The filing of the request for administrative hearing shall not exempt a person from complying or obeying any order or decision of the Board, nor shall it operate in any time as a suspension or postponement of its effectiveness, unless a special order form the Board so directs.

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Law 416, Section 9 Powers and Duties

- (a) The Environmental Quality Board, under the authority conferred onto its Executive Director, shall have the following duties, powers, and functions:
- (1)Issuing administrative orders to require remuneration for the Environmental Quality Board or to bring any civil or administrative action against any person with the purpose of covering any expenditure incurred by the Environmental Quality Board or any other instrumentality of the Government of the Commonwealth of Puerto Rico for the removal, correction or termination of any adverse effect on the quality of the environment as a result of unauthorized pollutants being discharged, whether accidentally or not. Such orders shall apprise persons to whom these are addressed of their right to pay the amount of money claimed or to request the holding of an adjudicative hearing under the Uniform Administrative Procedures Act, §§ 2101 et seq. of Title 3, and the regulations approved thereunder by the Board. (7)Ordering persons causing or contributing to a condition which harms the environment and natural resources or which poses an imminent danger for the public health and safety, to immediately diminish or discontinue their actions. Such orders shall apprise the person so ordered of his/her right to request that an adjudicative hearing be held pursuant to the Uniform Administrative Procedures Act, §§ 2101 et seq. of Title 3, and the regulations approved thereunder by the Board.
- (8)Issuing orders to do or forbear or to cease and desist so as to take the preventive or control measures that, in its judgment, are necessary to achieve the purposes of this chapter and the regulations promulgated thereunder. The natural or juridical person against whom such order is issued may request an administrative hearing to state the reasons for having such order modified or revoked and the reasons for which such order should not be put into effect. The final resolution or decision of the Governing Board of the Environmental Quality Board may be reconsidered and reviewed in the manner provided for in the Puerto Rico Uniform Administrative Procedures Act, §§ 2101 et seq. of Title 3. The

effects of such resolution or decision of the Board shall not be stayed, unless so ordered by the Circuit Court of Appeals of Puerto Rico or by the Governing Board itself, pursuant to the procedure prescribed in § 8002f of this title and to the provisions of the Puerto Rico Uniform Administrative Procedures Act.

(10) The Environmental Quality Board, represented by its members, consultants, contractors, agents or employees, may enter and examine the establishment, equipment, facilities and documents of any person, entity, firm, or government agency or instrumentality under its jurisdiction with the purpose of investigating and/or inspecting environmental conditions.

From: McChesney, Dennis

Sent: Tuesday, June 18, 2013 2:12 PM **To:** Jamison, Rebecca; Taylor, Karen

Cc: Sawyer, William

Subject: RE: PR UST regulations - penalty matrix and red tag

Shutting down a station is not the same as a fuel delivery ban. Where is this item from?

Regulation 4362, Rule 1008, which is the current Regulation of Underground Storage Tanks, allows for the EQB to close the UST Facility when found in violation of any Rule in said regulation. Also under Law 416 articles 9(A)(1), 9(A)(7), 9(A)(8) and 9(A)(10), fuel delivery prohibitions may be allowed

Dennis J. McChesney, Ph.D., MBA

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Voice (212) 637- 4232
Fax (212) 637- 4211

From: Jamison, Rebecca

Sent: Tuesday, June 18, 2013 11:54 AM **To:** McChesney, Dennis; Taylor, Karen

Cc: Sawyer, William

Subject: RE: PR UST regulations - penalty matrix and red tag

Yes the attorney said per the citation below they can shut down facilities for non compliance. But <u>staff</u> is not allowed to issue monetary penalties, e.g. a Field Citation.

From: McChesney, Dennis

Sent: Tuesday, June 18, 2013 11:45 AM **To:** Jamison, Rebecca; Taylor, Karen

Cc: Sawyer, William

Subject: RE: PR UST regulations - penalty matrix and red tag So EQB has current authority to issue a Delivery Prohibition?

Dennis J. McChesney, Ph.D., MBA

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From: Jamison, Rebecca

Sent: Tuesday, June 18, 2013 11:41 AM

To: Taylor, Karen

Cc: McChesney, Dennis; Sawyer, William

Subject: RE: PR UST regulations - penalty matrix and red tag

Thanks.

EQB had previously stated that currently when AOs are issued by their Legal Department the fines are only around \$500 for all violations. So the program (and I understand the Chair) wants to establish a matrix which shows a per penalty violation. They already have established policies for various issues associated with negotiation during an Admin Order

like our policy but there is no base penalty matrix for the program or Legal to refer to, it changes with each administration via policy.

I'm sending Law 416 separately and looking for the Regulation

Regulation 4362, Rule 1008, which is the current Regulation of Underground Storage Tanks, allows for the EQB to close the UST Facility when found in violation of any Rule in said regulation. Also under Law 416 articles 9(A)(1), 9(A)(7), 9(A)(8) and 9(A)(10), fuel delivery prohibitions may be allowed

From: Taylor, Karen

Sent: Tuesday, June 18, 2013 11:18 AM

To: Jamison, Rebecca

Cc: McChesney, Dennis; Sawyer, William

Subject: RE: PR UST regulations - penalty matrix and red tag

EQB stated that inspectors do not have the authority to issue penalty to support the proposed field citation program (which was presumably patterned after EPA's). Converting the proposed field citation penalties to a penalty matrix is basically putting a penalty policy in the regulations, whether you call it a matrix or policy. My comment was that the proposed field citation/penalty matrix is not as flexible or comprehensive as a penalty policy.

Do you have the 1990 PRUST Part X which included the section on shutting down a station for failure to comply? Did you compare the old Part X to the new section for fuel delivery bans?

The PRUST copy that is circulated within ORC does not contain that Part of the PRUST.

From: Jamison, Rebecca

Sent: Tuesday, June 18, 2013 10:32 AM

To: Taylor, Karen **Cc:** McChesney, Dennis

Subject: Meet prior to July 3rd? FW: Meeting Forward Notification: UST EPAct regulations--finalize Karen—should we plan to meet and discuss the EQB regulations prior to the call with EQB on July 3rd?

And if you have time today, I can explain to you what was happening on the call yesterday with the penalty appendix which should have just been referred to as the "penalty matrix" and not "policy".

From: Microsoft Outlook On Behalf Of Taylor, Karen

Sent: Tuesday, June 18, 2013 10:03 AM

To: Jamison, Rebecca

Subject: Meeting Forward Notification: UST EPAct regulations--finalize

Your meeting was forwarded

Taylor, Karen has forwarded your meeting request to additional recipients.

Meeting

UST EPAct regulations--finalize

Meeting Time

Wednesday, July 03, 2013 2:00 PM-4:00 PM.

Recipients

Sawyer, William

All times listed are in the following time zone: (UTC-05:00) Eastern Time (US & Canada)

Sent by Microsoft Exchange Server 2013